

QUONSET DEVELOPMENT CORPORATION

MEETING OF BOARD OF DIRECTORS EXECUTIVE SESSION MINUTES August 20, 2007

A meeting of the Board of Directors of the Quonset Development Corporation (the "Corporation") was held at 5:00p.m. on Monday, August 20, 2007 at the offices of the Corporation located at 30 Enterprise Drive, North Kingstown, Rhode Island, pursuant to notice to all members of the Board of Directors and a public notice of the meeting as required by the Bylaws of the Corporation and applicable Rhode Island law.

The following Directors constituting a quorum were present and participated throughout the meeting as indicated: Steven Campo, Robert Crowley, Kas R. DeCarvalho, David A. Doem, Thomas Hazlehurst, Barbara Jackson, Saul Kaplan, John A. Patterson, Sav Rebecchi, M. Paul Sams, and John G. Simpson.

Also present were: Steven J. King, P.E., Chief Operating Officer and E. Jerome Batty, Secretary.

1. CALL TO ORDER

The Executive Session was called to order at 6:15 p.m. by Chairman Kaplan. Prior to adjournment to

Executive Session, the Board:

VOTED: To adjourn to Executive Session pursuant to Subsection (1)

-(Job Performance), (Subsection (2)- (Litigation), Subsection (5)- (Acquisition or Lease of Real Estate for Public Purposes or Disposition of Publicly held Property) and Subsection (6)- (Location of Perspective Businesses in Rhode Island) of the RIGL §42-46-5(a) (the "Open Meetings Law").

Voting in favor were: Steven Cambo, Robert Crowley, Kas R. DeCarvalho, David A. Doem, Thomas Hazlehurst, Barbara Jackson, John A. Patterson, Sav Rebecchi, M. Paul Sams, and John G. Simpson.

Voting against were: none.

Unanimously approved.

DISCUSSION OF LEADERSHIP PLANNING AND THE ROLE OF STEVEN KING. CHIEF OPERATING OFFICER

Mr. Kaplan advised the Board that the Finance Director, Mary Lake, would be

leaving at the end of August to take a position at Newport Grand. A search

for a replacement person is currently underway.

Mr. Kaplan noted that the Board and the Corporation have the opportunity to

do excellent things at Quonset Business Park and that the most important

opportunities are in front of us. He also advised the Board that in making decisions as the Corporation moves forward he would be seeking input from the Board and the various Board committees.

Mr. Kaplan advised the Board that the Economic Development Corporation had received communication from W. Geoffrey Grout's attorney indicating that there was the potential for litigation arising out of Mr. Grout's termination.

Mr. Kaplan indicated that moving forward Steven King, Chief Operating Officer would be responsible for the day to day operations of the Corporation.

Mr. Doern indicated that he supported leaving everything as is for now. Mr.

Simpson inquired as to whether there needs to be a chief executive officer and

what qualifications, skills would be required. Clearly, it would require community relationship skills, government relationship skills and real estate

skills. Mr. Simpson indicated that it would be appropriate to clearly define

the role and its responsibility. Ms. Jackson noted that Mr. King will need the

authority to move the Gateway Project forward and everyone needs to know who is in control. Mr. Doern concurred and indicated that he felt that Mr. King should be the person in charge over the next 60 to 90 days. Mr. Crowley indicated that Mr. Kaplan would likely have to assume greater responsibility for the various political relationships and stakeholder matters. Mr. Kaplan indicated that he had been working very well with Mr. King and that Mr. Kaplan will be the person responsible for carrying forward the Gateway Project, the IGY Project and the day to day operations of the Corporation. He noted that there is no vacuum and that Mr. King is in charge. Mr. Rebecchi suggested that there should be a plan for replacing the Managing Director. Mr. Kaplan noted that it is the responsibility of the Chairman to select the Managing Director with the consent of the Board. He also indicated that he would be reviewing the options over the next 60 to 90 days and would keep the Board informed and seek their input and advise in connection with filling the position of Managing Director. Mr.

Hazlehurst

noted that it would be important for the Board and Corporation to speak with

one voice. Mr. Kaplan confirmed that he and Mr. King were committed to

work together and move the Corporation forward in a uniform and consistent

way.

Mr. King left the meeting at 7:00 p.m.

The Board discussed Mr. King's role and responsibilities over the next 60 to

90 days.

Mr. Simpson stated that it would be helpful if the Corporation's public relations firm could provide information to the Board and assist the Board in

developing a strategy and "message".

There being no further business to come before the Executive Session, upon

motion duly made by Mr. Crowley and seconded by Mr. Hazlehurst, the executive

session was adjourned at 7:20 p.m.

Respectfully submitted:

By:_____

E. Jerome Batty, Secretary